**Introduction:**

The 20th of September, the Civil Guard did 22 searches and arrested 13 Catalans responsible so they could stop the referendum for the independence of the Catalonia. Planned for the 1st of October, Catalans will be voting for or against Catalonia’s independence.

With 7.5 million habitants, Catalonia is the second community of Spain after Andalusia. Catalonia represents 25% of the foreign investments on the Spanish ground. It registers a 3.5% economic growth and it stays the destination the most touristic of the country (25%). Catalonia is a crucial region for Spain.

What is going to happen the 1st of October? What will be the consequences of the referendum, if it happens?

**I/ Spain’s safety measures**

In order to stop the referendum, Spain put many measures into place. Mariano Rajoy, the head of the central government, called it out as an “act of disobedience” and launched several operations:

* The constitutional court suspended the law allowing the Catalonian referendum. Following its application by the Catalonian parliament, the constitutional court, at the demand of the state, then canceled the law allowing for the organization of this ballot contested by Madrid.
* 14 officials of the Generalitat were arrested (the Generalitat is Catalonia’s political organization that includes the parliament, the presidency and the Catalonian executive council. On September 20th of 2017, the Civil Gard (guardia civil) launched a wide offensive against the self-determining referendum. Agents entered the administrative buildings of the Generalitat in Barcelona early in the day, and proceeded to arrest 14 high-ranking officials, including the general secretary of the Catalonian Minister of Economy Josep Maria Jové, right hand of the vice-president.
* The “wallet” operation; Spain settled a record breaking fine for the ex-president Artur Mas and threatened to seize the funds of Catalonian prime ministers. Furthermore, Madrid blocked the credits that were financing the Catalonian government, preventing them from paying their staff. After they refused to submit their accounts to the State’s control, Spain cut all financial transfers to Barcelona.
* Spain blocked the credits cards of the government of Catalonia, which does not have any proper funds. Tax money from Catalonia goes directly to Madrid. To finance the Generalitat’s budget, the Spanish government deposits money into their budget every month, via a credit line of the “autonomous liquid funds” (FLA) type. This money is then used by the Catalonian government to pay state workers, publics services and providers.

**II/ Catalans independence**

Catalans independentism, appeared at the 20th century, claiming for Catalonia’s independent from Spain has been knowing since 2010 a fast growth. The 7.5million Catalans have a tradition, a culture, a language and their own flag. The Catalan is a romance language with Latina origins which started to exist between the 8th century and the 10th century. The first Catalan flag dates of 1150 even if the first Spanish flag dates of 1785. Despite having exercised its full sovereignty during 700 years within the “catalano-aragonaise” confederation, Catalonia has never been a country on its own.

Today Catalonia is an autonomous community and a historical region of Spain, directed by an autonomous status. Like it’s been said earlier, Catalonia would like to organize a referendum to give to the inhabitants a chance to choose if they want or not to be part of the kingdom of Spain. Catalans say, that Madrid treat Catalonia like a colony, and are not supporting it for its economic development. With a fiscal growth of 3.5% each year, a global growth domestic superior to the Irish one. (222 billion €) or even the unemployment which is 3 points under the national MOYENNE (19%), Catalonia is the 3rd region the most indebted of Spain. Its 3% of public DEFICIT in 2013represent today a third of the global growth domestic. SELON Generelita in 2011, the difference between what Catalonia gives to Madrid with the taxes and one it gets is around 8.5% of the Catalan global growth domestic. The governments declares a difference of 4.3%. Despite of that the Catalan independency lays mostly on cultural or political questions.

The perfect example is in year 2000 which forms a sharp turn with a feeling of “treason” in the Catalan population. This year, the constitutional court canceled a part of the autonomous status of Catalan. It concludes the reference of Catalonia as “nation” has “no juridical value”. It reject the usage of Catalan as a “preference” language in the Medias and the administration. Hundreds of thousands manifests with their screams “We are a nation, we decide”.

Once more in 2012, the law that has been in stored which is about using Catalans language in school provoked new tensions. Just to now and on demands, children could receive an education based on this language, but this new law obligates to study in castellan. The declarations of the minister of that time J.I. Wert called for a “spanisiliazed the young Catalans” which caused with this law a number of new manifestations.

From 2010 to nowadays, a lot of referendum tries failed because Madrid jugged this referendum illegal: from the constitution opinion. Spain is not divisible which blocks all referendum. Even that, the government considers that the whole country should participate to such referendum.

Following the wrestled interventions of Spain. Catalans desire more than anything, to be able to vote the 1st of October.

**Conclusion:**

The consequences of such a referendum are majeure. Becoming an independent country, Catalonia would leave the European Union and Euro zone. It could post its candidature but it’s hard to imagine Catalonia’s independence in the European Union. It’s exist would cause the rupture of the exchanges with the Central European Bank, the creation of a new type of money, the finance of the public debt (75 billion euros) and certainly a limitation of the cash able to take out of the bank to not have problem of massive leaking. A lot of investors could leave Catalonia du to those problems. In the meantime if it can integrate the European Union and keep the Euro, its actuals statistics show an advantage towards their economy. It surely would have its own army, its own system for health and other, but Catalonia’s economy seems to be able to face this challenge.

Spain such as a nation would have no interest in seeing Catalonia becoming an independent country. Such a separation could incite others regions like the Basque Countries, Galicia or even the Valencia community to do as well. A loss of the part of the most important part of the global growth domestic product would have a harsh consequence on the public deficit, the needs of supplementary finance, an augmentation of the unemployment and a slower growth.